

CITY OF DETROIT

Office of Contracting and Procurement

January 26th, 2015



Vision & Mission
Review of Compliance Protocols
Current Contract & Procurement Process
Procurement Reform Efforts
Departmental Spend Analysis
Volume of Contracts for FRC Approval



Vision

Deliver the best value for goods and services to the City of Detroit in a timely manner.

Mission

Establish a world class procurement organization that exhibits integrity and demonstrates transparency and accountability.

Ensure staff have the knowledge and access to information necessary to promote competition in procuring the best value for the City of Detroit.



Review of Compliance Protocols

**Federal and
State Laws**

**City of Detroit
Charter and
Ordinances**

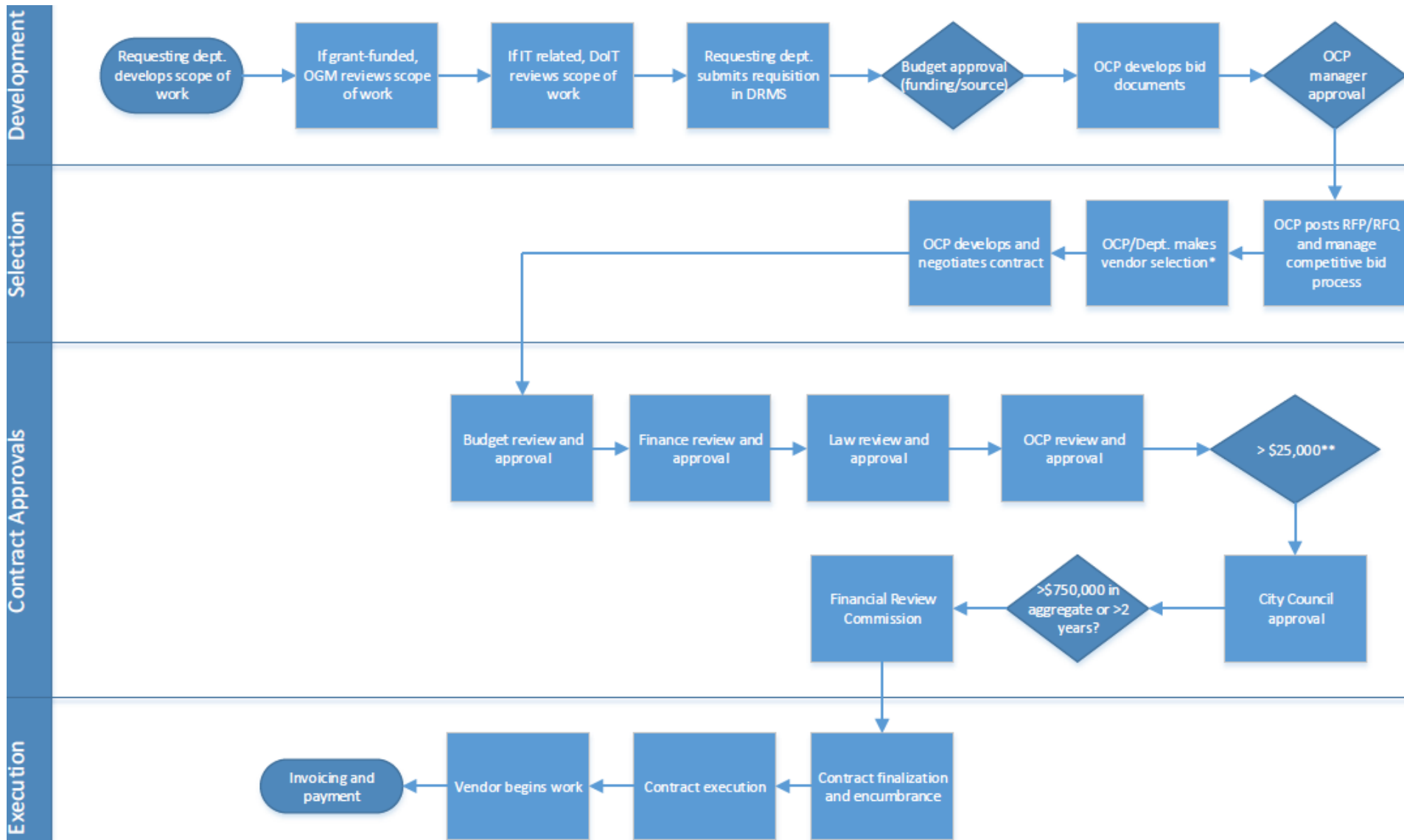
**Policies &
Procedures
Manual**

**Executive
Orders & CFO
Orders**

**Financial
Review
Commission
Regulations**



Current Contract & Procurement Process



*All Contracts Require Income Tax, Property Tax, Slavery Era, Human Rights & Hiring Affidavits
 **Personal Services, Grant-funded, Bonds



Procurement Reform Efforts



Procurement Reform Efforts

- Procure bridge IT system
- Pre-step to ERP system
- March 2015 Go-live



Functional Requirements	
Vendor Management	<ul style="list-style-type: none">■ Self-service vendor registration and updating■ Non-compliance indicator■ Registration by commodity■ Vendor certifications
Solicitations and Sourcing	<ul style="list-style-type: none">■ Electronic RFP/RFI submission, evaluation■ Sealed bids■ Online award■ Cooperative purchasing■ Email notifications to bidders■ Work flow approvals
Contract Management	<ul style="list-style-type: none">■ Contract Repository including drafting, negotiation, and approval/renewal tools■ Secure Negotiation Portal■ Digital Signature/Electronic Signature■ Create workflows, notifications, and reminders related to milestones, and expiring contract dates
Reporting and Compliance	<ul style="list-style-type: none">■ Number of bids received■ Number of solicitations developed in a given time■ Commodity spend and amount by contract award



Leveraging Cooperative Purchasing Agreements (CPAs)

Benefits of CPAs

- Increased vendor pool
- Economies of scale
- Expedited purchasing
- Valuable market research information

Utilizing CPAs

- Identify top commodities
- Develop processes and procedures
- Implement communication and training plan

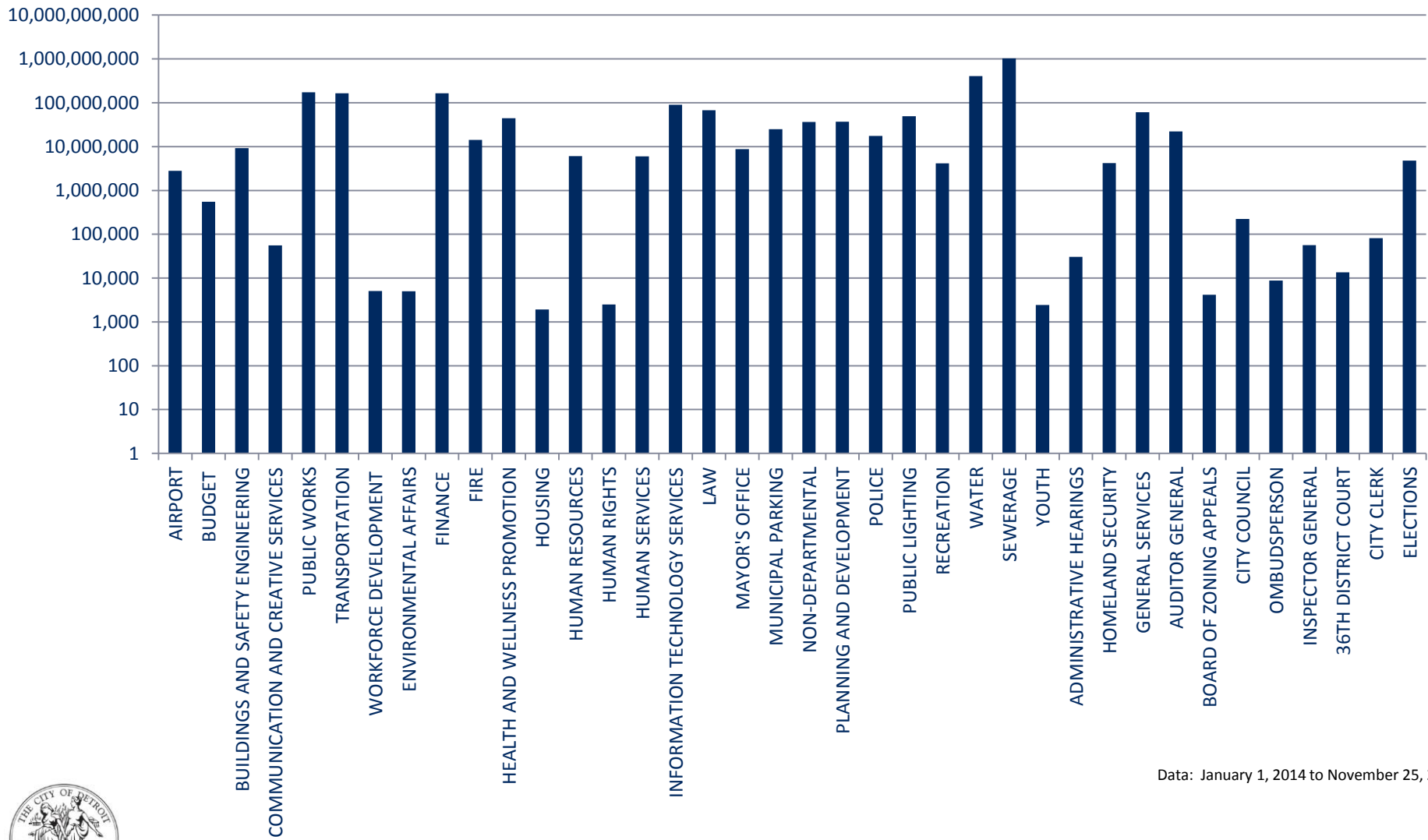
Barriers to Detroit's Use

- Restrictive local ordinances
- Requires RFX process before CPAs can be used



Departmental Spend Analysis

Total Amount
\$2,445,193,155

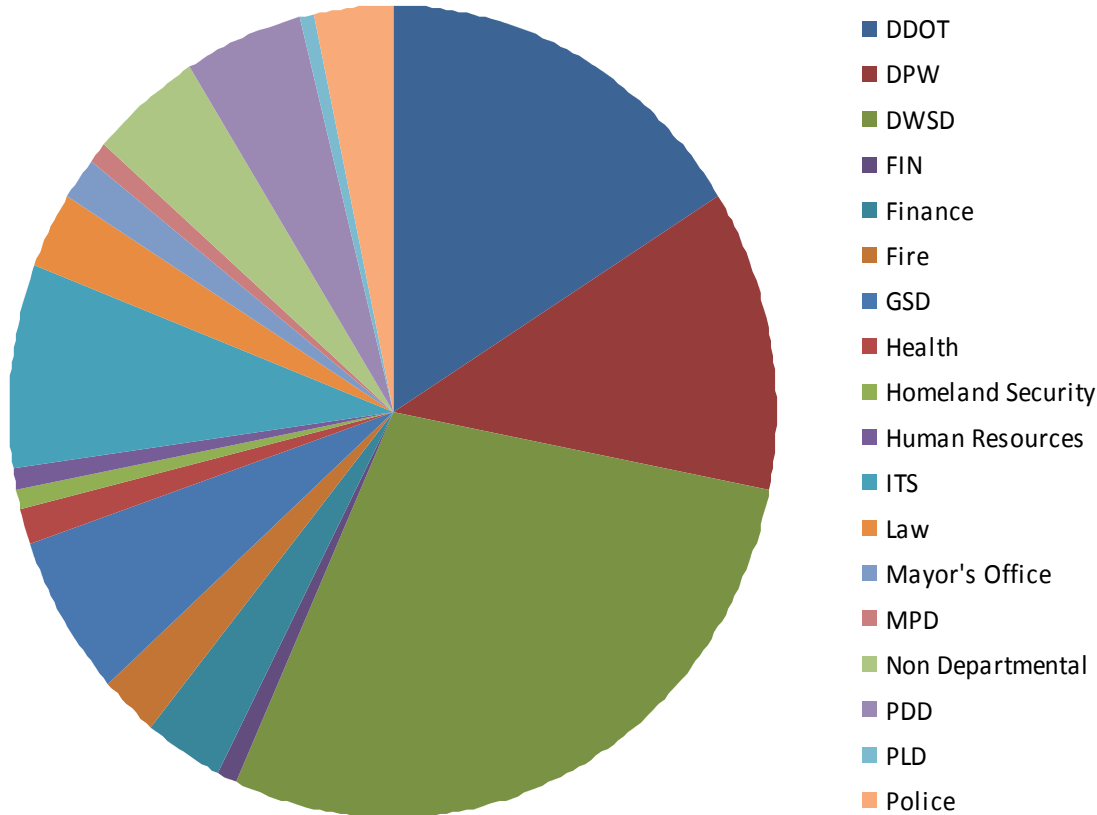


Data: January 1, 2014 to November 25, 2014



Volume of Contracts for FRC Approval

CPO OVER \$750,000 by Department

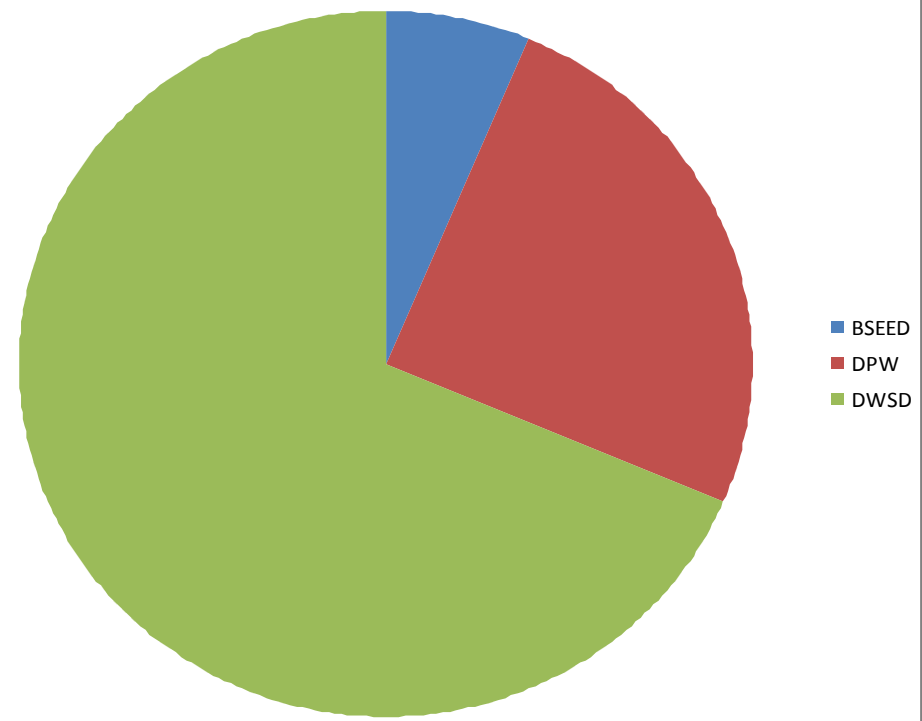


Department	Number of PO's	Total CPO Amount
DDOT	20	\$86,909,999.08
DPW	15	\$148,841,817.45
DWSD	36	\$245,339,438.84
FIN	1	\$7,076,115.00
Finance	4	\$9,993,936.24
Fire	3	\$7,508,784.48
GSD	8	\$12,150,290.44
Health	2	\$6,954,906.00
Homeland Security	1	\$1,970,000.00
Human Resources	1	\$4,413,251.50
ITS	10	\$35,672,116.42
Law	4	\$4,483,899.00
Mayor's Office	2	\$7,593,590.64
MPD	1	\$9,683,569.22
Non Departmental	6	\$22,805,105.91
PDD	6	\$17,168,137.00
PLD	1	\$10,448,953.00
Police	4	\$52,523,607.32
Grand Total	125	\$691,537,517.54



Volume of Contracts for FRC Approval

BPO OVER \$750,000 BY DEPARTMENT

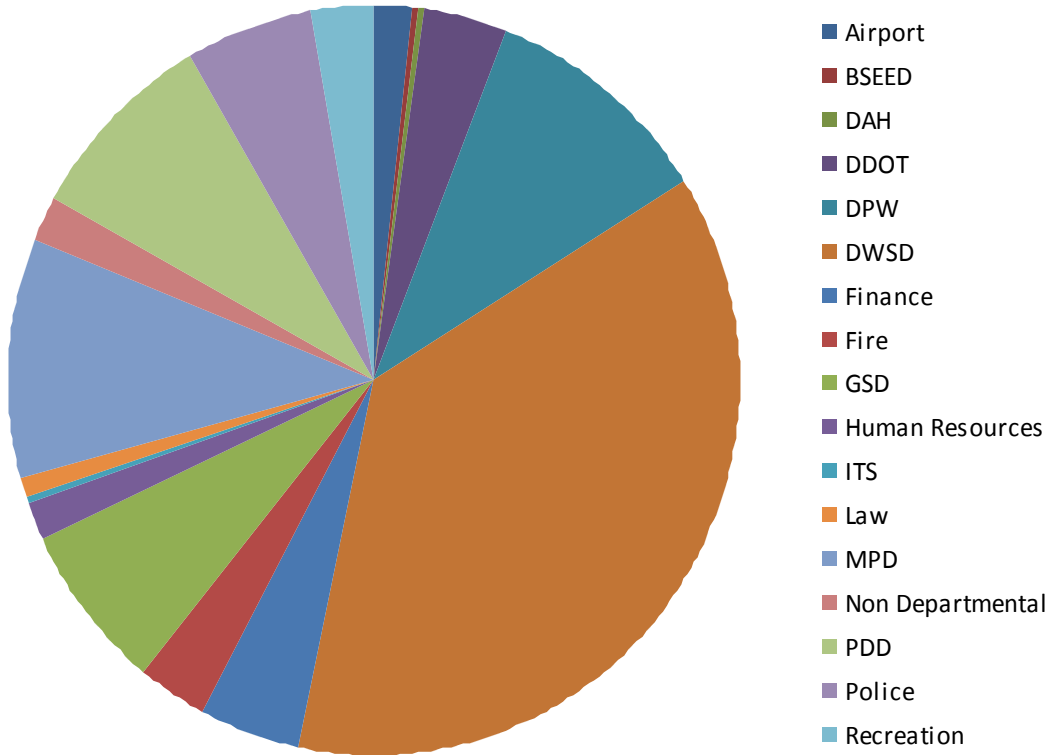


Department	Number of PO's	Total BPO Amount
BSEED	1	1,100,000.00
DPW	4	5,551,834.00
DWSD	11	34,257,442.50
Grand Total	16	40,909,276.50



Volume of Contracts for FRC Approval

PO's 2 YRS or More



Department	Number of PO's	PO Amount Agreed
Airport	4	\$323,616.00
BSEED	1	-
DAH	1	\$8,540.64
DDOT	9	\$1,343,397.00
DPW	27	\$4,828,570.22
DWSD	97	\$14,467,448.10
Finance	11	\$423,640.55
Fire	8	\$1,932,689.11
GSD	19	\$4,130,697.13
Human Resources	4	\$350,960.00
ITS	1	\$36,000.00
Law	2	\$534,250.00
MPD	27	\$1,240,668.50
Non Departmental	5	\$1,131,186.06
PDD	22	\$3,748,223.89
Police	15	\$1,517,849.50
Recreation	7	\$1,343,347.00
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Grand Total	260	\$37,361,083.70



QUESTIONS AND ANSWERS

